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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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Amendment of Part 73 of the Commission's)
Rules to Permit the Introduction of Digital)
Audio Broadcasting in the AM and FM) RM-9395
Broadcast Services;)
)
Petition for Rulemaking of USA Digital)
Radio Partners, L.P.)
_____)

COMMENTS OF CLEAR CHANNEL COMMUNICATIONS, INC.

Clear Channel Communications, Inc. ("Clear Channel"),¹ pursuant to the Commission's Public Notice on digital audio broadcasting ("DAB"),² respectfully submits these comments in response to the Petition for Rulemaking filed by the USA Digital Radio Partners, L.P. ("USADR").³ As an operator of radio stations, Clear Channel has an interest in delivering to the American radio listener the high quality sound and benefits of digital radio broadcasting technology. Further, as a company with a substantial investment in broadcasting, Clear Channel

¹ Clear Channel Communications, Inc. is a global diversified media company. Including pending acquisitions, Clear Channel operates, or is affiliated with, 432 radio stations in 95 domestic markets and 21 television stations in 13 domestic markets. Based on these figures, Clear Channel is the second largest radio company in terms of stations and the third largest by total radio revenue.

² Petition for Rulemaking, RM-9395, *Public Notice*, DA 98-2244 (Nov. 6, 1998).

³ Amendment of Part 73 of the Commission's Rules to Permit the Introduction of Digital Audio Broadcasting in the AM and FM Broadcast Services, *Petition for Rulemaking* (filed Oct. 7, 1998) ("*Petition*").

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seeks to obtain these benefits with the most sensible technical and economic DAB system. An in-band, on-channel ("IBOC") DAB technology would do both.

In its Petition, USADR asks the Commission to initiate a rulemaking which contemplates the introduction of an IBOC DAB system in the AM and FM bands. IBOC technology permits broadcasters to transmit digital signals within their existing channel allocation by placing the digital signal on each side of the analog signal. This would enable the simultaneous broadcast of analog and digital signals during a transition period. Only after the transition period would the analog signal be phased out. According to the USDAR proposal, an IBOC DAB system would permit the implementation of DAB within the existing AM and FM regulatory structure and broadcasting infrastructure.

Clear Channel asks the FCC to act quickly on USADR's petition and institute a rulemaking proceeding to develop rules to implement DAB. The introduction of digital technology in the AM and FM bands is clearly in the public interest and will enhance the quality and utility of the existing AM and FM services. Even so, the implementation of DAB will require FCC participation in establishing the standards necessary to bring this technology to the public. Finally, if USADR's system works as promised, the IBOC approach will provide a superior means by which to bring DAB to the public quickly, economically, and without the need for allocation of additional spectrum.

I. DIGITAL AUDIO BROADCASTING IS IN THE PUBLIC INTEREST

A. Digital Technology Will Bring Improvements to Radio Broadcasting

The introduction of digital technology to the radio broadcasting industry will finally bring the advantages and benefits of digital technology to radio. The Commission is well aware of the

public interest benefits of digital technology. The Commission has already found these benefits sufficient to support the introduction of an entirely new service – the satellite digital audio radio service.⁴ Further, the Commission has launched digital television.

The same is true in radio broadcasting – digital technology will improve this service too. As the compact disc is to vinyl records, so will digital technology improve the fidelity of AM and FM broadcasts. With digital technology, FM broadcasts will enjoy near CD quality sound and AM broadcasts will have sound comparable to today's FM.⁵ Digital processing of signals will also increase the robustness of the radio signal against interference, multipath fading and noise, further enhancing the ability of broadcasters to serve the public.⁶

B. The Improvements Arising From DAB Technology Will Enhance the Ability of Broadcasters To Serve the Public

Digital technology is necessary to preserve the economic health and viability of terrestrial radio. As the FCC has long been aware, consumer demand for digital products is increasing dramatically.⁷ Consumers are receiving high quality audio digital programming from an increasing number of sources, including, among others, cable, Internet webcasting, direct broadcast satellites, satellite digital audio radio, compact disks, and digital audio tape. Yet, despite the

⁴ See Establishment of Rules and Policies for the Digital Audio Radio Satellite Service in the 2310-2360 MHz Frequency Band, IB Docket No. 95-91, *Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking*, FCC 97-70 (rel. Mar. 3, 1997).

⁵ *Petition* at 14-15

⁶ See *Petition* at 15.

⁷ See *Amendment of the Commission's Rules with regard to the Establishment and Regulation of New Digital Audio Radio Services*, 7 FCC Rcd 7776, 7778 (1992) (NPRM & FNOI).

Commission's long time commitment to giving "existing broadcasters ... an opportunity to take advantage of new digital radio technologies,"⁸ digital programming is not available to the public through terrestrial radio.

The implementation of DAB will give radio broadcasters the capabilities they need to compete with these other digital technologies. Radio is unparalleled in the number of people it reaches and the role it plays in society. Radio serves a vital public service as the purveyor of local news and information, and as a central part of the Emergency Alert System. Clear Channel agrees wholeheartedly with USDAR's statement that radio's "role in society cannot be overstated."⁹ However, the continued effectiveness of broadcast terrestrial radio depends upon its ability to compete with the other modes of delivering digital programming. The implementation of DAB will keep radio competitive into the future.

II. THE COMMISSION MUST PLAY A CENTRAL ROLE IN DESIGNATING A DIGITAL AUDIO BROADCASTING STANDARD

The FCC should propose nationwide standards as part of its rulemaking proceeding. Due to the technical characteristics of IBOC DAB systems and the nature of the radio market, enforceable national standards will be required to successfully implement DAB and bring its benefits to the listening public.

As the USADR petition illustrates, DAB standards will be required to ensure that DAB transmitters and receivers will be compatible.¹⁰ The components of a DAB system must be

⁸ *Amendment of the Commission's Rules with regard to the Establishment and Regulation of New Digital Audio Radio Services*, 7 FCC Rcd 7776, 7780 (1995).

⁹ *Petition* at 5.

¹⁰ *Petition* at 95-96.

compatible with each other in order for the system to function as planned. If they do not work together in harmony, the public interest benefits of the system will not materialize. For example, forward error correction and interleaving codes must work together in order for the system to achieve the enhanced robustness a digital signal can deliver. If a transmitter and receiver are incompatible, the benefits of DAB will not be realized because the digital signal will not be processed.

The industry alone cannot readily establish such standards. It is comprised of a multitude of players – broadcasters, manufacturers, retailers, and consumers – each with its own agenda, incentives, and cost/benefit analysis. In fact, the different forces acting within one sector of the industry are probably enough to prevent agreement on a set of standards even by that sector. The inability of the radio broadcast industry to agree on a single technical standard was made abundantly clear with AM stereo. The Commission should not let DAB suffer a similar fate.

III. THE IBOC DAB APPROACH BENEFITS EACH OF THE GROUPS INVOLVED IN THE RADIO MARKET

The adoption of IBOC DAB would benefit both consumers and the broadcast industry, and would require only minimal expenditure of Commission resources.

Consumers clearly will benefit from an IBOC DAB solution. First, they will receive better fidelity, increased robustness, and higher quality audio than is now the case. Second, consumers will not need to replace their existing radios, stereos and other analog AM/FM receivers immediately. Instead, as proposed by USADR, a transition period would allow consumers to replace their equipment on average replacement timelines.¹¹

¹¹ *Petition* at 91.

The broadcasting industry would also benefit from an IBOC solution since licensees would remain on the same channels. As a result, a broadcaster could go digital without losing the goodwill it has built up in its existing dial position. Second, the industry saves the resources that would need to be expended in building a new broadcasting infrastructure that would accompany any spectrum move. Finally, because the IBOC solution allows for a long transition period, the costs to a broadcaster to move to digital are minimized as equipment is upgraded during the normal replacement schedule.

The IBOC approach would be relatively easy for the Commission to implement for two reasons. First, the Commission can act without allocating new spectrum or moving licensees to different channels. Under the IBOC solution, the transition to digital is made by using existing allocations and channels. Second, because no new spectrum or new channels are assigned, the Commission does not need to issue new licenses. This would permit the Commission to minimize the expenditure of scarce resources and the attendant administrative problems.

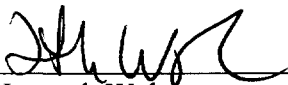
IV. CONCLUSION

Radio helped to transform the 20th Century into the Information Age. Millions of Americans only need turn on a radio to receive the information, news and programming they need. If the Commission wishes to preserve the significant public interest benefits of a ubiquitous, free entertainment and information service into the 21st Century, it must act immediately. The USADR petition gives the Commission a means by which to do so. Clear

Channel respectfully requests the Commission to move quickly and initiate a rulemaking in accordance with USADR's petition.

Respectfully submitted,

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December 23, 1998

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The undersigned hereby certifies that the preceding document was delivered by United States first class mail postage prepaid, to the person listed below.

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